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3	UNITED STATES GOVERNMENT
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5	NATIONAL AERONATUICS AND SPACE ADMINISTRATION
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7	SPEECH BY DR. BEGGS
8	NASA ADMINISTRATION
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10	SEPTEMBER 2, 1981
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## S P E E C H

MODERATOR: Good morning.

It's my pleasure this morning to introduce to you the new NASA Administrator. Jim Beggs became the sixth NASA Administrator on July 10th, when he was sworn in by the Vice President.

Mr. Beggs came to NASA from General Dynamics, where he was Executive Vice President for Aerospace.

He's not a newcomer, though to Government. He was actually with NASA back in '68 and '69, as head of what was then OART, which is now OAST.

And after leaving NASA in '69, he went over the the Department of Transportation where he was Under Secretary for four years.

Jim is a native of Pennsylvania. A graduate of the Naval Academy, as well as a Master's Degree from Harvard.

When he finishes his prepared remarks this morning, he will take your questions. Wait until you get a mike, though, so that everybody else can hear the question.

Ladies and gentlemen, Jim Beggs.

AUIDENCE: (Applause.)

DR. BEGGS: Thank you, Don.

It's nice to be here. And it's nice to be back

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with NASA.

It has been about 12 years since I spent all too short a tour with the agency. And a great deal has happened since then. And I suppose that in a sense these are somewhat parlous times.

As my favorite author, Shakespeare, once wrote, "The web of our life is a mingled yarn, good and ill together." And these are both good days and they are ill days.

They are good again in that, if we look at the public opinion polls, which reflect how the public feels about the space program, and the aeronautics program, and all the other good things that we do in this organization, the public support for that program is the highest that it has ever been. And that's the good news.

In fact, it is higher today than it was during the Apollo days, if you believe the polls that have been taken over the past six or eight months, they suggest that over 40 percent of the American people believe that more money should be dedicated to space and aeronautics. And I think, roughly, 60 percent of the American public believes that the spending should continue at least at the present rate.

And that is a big come back from where it was. As a matter of fact, just about three short years ago a

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similar poll would indicate that less than 30 percent of the public believed that we should continue to spend the same amount of money. So we've doubled that in the last three years, which is a tremendous comeback.

A lot of that, of course, is due to the first successful flight of the shuttle. A lot of it is also due to the greater, I think, perception that this country has been falling behind in many areas, particularly in those areas in which the Nation has take great pride.

And they are coming to the realization that it is important to maintain a sustained effort in order that we maintain our preeminent position in the world in both space and aeronautics.

The bad side, the ill of our times, is that we are living in a very, very constrained economic situation, both at the Federal level and, of course, in our country.

The situation is such that with inflation running out of control there is a general feeling amongst the public that public expenditures must be constrained. And that, of course, does have its affect on Federal budgets in a marked way. And, of course, the research and development activity, as we all know, being the bottom line, usually, in the Federal budget, is the one that people look at first for cuts.

I must say, though, that in coming back and

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looking at the budget marks which were given to NASA, both in -- for the FY-82 year and for the year we're coming in to, that is the suggested budget mark for the year FY-83, they have been more generous than any other R and D agency in Washington.

Almost all of the departments and agencies which do research and development were cut back severly. And, indeed, we suffered some cuts as well, but not near to the degree that the other departments and agencies were cut.

And, as a matter of fact, if you look at the reductions that NASA suffered it is primarily in those areas where there was a perception, in the Office of Management and Budget, or in the Administration, that we were doing work which should more properly be done in the private sector.

Some of those perceptions I do not agree with.

And I'll be arguing very hard to reverse them. But nevertheless it was a cut based on principle or philosophy rather than a cut based on an across the board research and development reduction.

It is my view we have a great future ahead of us. NASA has come a long way in the last 25 years, or 24 years, since the agency was created.

In fact, if you look back on the accomplishments

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of that very short quarter of a century, little less than a quarter of a century, it is kind of mind boggling to think of all the things that we have done.

And considering the fact that the money we have spent has been a very small percentage of the -- even the research and development expenditures of the Federal Government, I think we can all take very great pride in looking back on that quarter of a century history.

And, in fact, if you look back even further to the origins of NASA, the old NACA, and this, of course, is the mother center, because this is where it all began, as we all know, we can take great pride in what has been done through those years by NACA and, now, by NASA in bringing this Nation into a position of preeminence in aeronautics and space.

It is, indeed, a proud history. A history that

I take great pride in being a part of now. And I have

great confidence that we will go forward in the next quarter of a century and do even larger things.

Now let me talk about where my priorities are and where I'm coming from.

We started out about eight years ago, or a little longer than that, but we started into hardware work about eight years ago on the shuttle. This center has had quite an impact on that with the work that you have

on the shuttle.

We had a very successful flight in April. And we'll be flying again early next month. And I believe that the program is in good technical shape. It does require an awful lot of work. And it's going to require a great expenditure of money to get it from here to the operational phase. And that's got to be priority one.

Priority two, however, is to make sure that while we work our way through that heavey period of expenditures on shuttle that we maintain a balance in the other research programs. And that includes aeronautics, most especially aeronautics. It includes the space science and planetary exploration work that we have done so successfully, and which was just exemplified by the Voyager II flyby. And it includes the other research work that is done within the NASA family, so that we may still maintain tha balance of programs that has been so successful in making sure that in the future we have covered all the bases and that we are able to move forward.

Beyond that we must look to new starts. And we have had a dearth of new starts in the last years.

And as we all know, the budget, in real terms, has been coming down to a degree that is sometimes fright-ening when you look at it from the overall point of view.

But at the same time, we still do have a very significant

sized budget.

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But I view my priority, after those that I have mentioned to start to reverse that downward trend, and maybe start to turn it up a little bit.

And in the undoubtedly short period of years that I will be given in this job, I hope to be able to reverse that trend. And that is a major objective of mine And to start with some new starts again.

I have used this quote so many times it's probably gotten around, but one of my favorite Shakespearean quotes comes from Henry IV. And it is that part of the play where the Prince goes to the King. And the Prince, as you know, was a little wild. Fortunately, he settled down in later life. But he said to the King, I can call forth spirits from the vasty deep. And the King thinks for a moment, and he says, why, so can I. And so can But will they come when you call them. any man.

AUDIENCE: (Laughter.)

DR. BEGGS: And I guess that's what you've got to expect of me, because those spirts are new programs and new starts. And I'm going to be calling them. the question is: will they come?

But they will come, I can assure you, if we continue to do the kinds of things that we have always been capable of doing in the past.

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If we are aggressive in pursuing our programs, if you give me -- continue to give me the kinds of new ideas, and new thoughts, and new research programs, that you have been so capable of doing in the past, if we all speak with a single voice, as much as can speak with a single voice -- and in a organization like this, that's pretty difficult, but if we at least put our minds to the idea that we must decide where we're going, and put those programs together in such a way that they are saleable -- and make no mistake about it, ladies and gentlemen, we are in an environment where they must be sold, it is not enough that it be a good thing to do, it must be something that the American people and our political systems perceives is a good thing to do -- then we will move ahead rapidly in the coming years.

And I'm very optimistic about that. We have done great things in the past at Langley. In going back over the history of the center in preparation for my visit down here I found that you have won four Collier trophies. And having participated in a team, myself, that won a Collier trophy, I know the dedication and hard work that goes in to deserving that award. So you have done splendid things in the past.

In walking around in the short period I've had this morning, I'm convinced that you are doing

1	splendid things currently. I know that you will continue
2	to move ahead and do splendid things in the future.
3	And if you do, we'll all have a very happy,
4	successful, and prosperous future.
5	I will take questions. And I'll stand up here
6	as long as Don will let me. I'll probably duck some of
7	them, but don't let that deter you from continuing to
8	press me.
9	So, with that, thank you very much. And let's
10	hear your questions.
11	AUDIENCE: (Applause.)
12	MR. BEGGS: I'm sure I didn't turn you off that
13	much.
14	AUDIENCE: (Laughter.)
15	MR. BEGGS: Back in the back.
16	VOICE: You said there were some of the budget
17	cuts that you didn't agree with, and you were going to
18	reclaim her. Could you identify some of those.
19	MR. BEGGS: Well, I got here too late to re-
20	claim this year.
21	Well, basically, the philosophy that has been
22	expounded over the really this is not new, this has
23	been expounded upon in the Bureau of the Budget and the
-24	OMB for as long as I can remember. As a matter of fact,
25	12 years ago I was dealing with a similar situation. The
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feeling is that demonstration projects, or programs which move in to hardware are better left to the industry to handle instead of being done in the Government.

The issue there deals with the question of validation of program. How do you validate a research concept, or how do you validate something which looks good in the center, and which looks good through an early development phase, but requires a flight test to get to the point where somebody will really pick it up and take it in to production, or at least base a production program on. And it is those programs which, generally, have been under attack by the old budget examiners from time immemorial.

And this past year, in the Reagen Administration cuts, those were some of the programs that came to grief.

And I think those programs will also be looked on askance in the future.

There must be a certain amount of validation of our concepts, otherwise they will not be applied.

And one of the reasons that I think we have moved ahead in this country, and have done so well in the aeronautics field, everything from our commercial transports and general avaiation craft to the high performance military type aircraft is that we have had those experimental airplane programs and demonstration projects which have

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validated concepts which enabled them then to move into
production programs.

Those are the prime ones we have to deal with. There are some of the research programs which move towards the applications area, which also tend to be looked upon as being subjects primarily that should be assigned to the private sector. And there is an argument I think you can make on some of that. But I think there is also a counter argument you can make that without the very profitable relationship that we've had, a partnership, if you will, with the industry, and exchanging ideas all the way up to applications, we have benefited greatly as a nation.

As we all know, last year our aeronautics exports were the largest single item in our balance of trade. Larger even than agriculture. For the first time we exceeded the agricultural exports. And that was no accident. It was a very beneficial partnership between industry and, primarily, the Government centers operated by NASA, and to some extent, as well, the military fallout, that has generated that very substantial balance of trade.

That's very important for the country.

Yeah.

VOICE: I'm Ira Abbott, president of local 2755

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of the AFGE. And I have two questions.

One is do you believe that the budget restrictions that we now have will have an impact on our ability to recruit and train the people that we need.

And, two, with the large spectrum of negotiations allowed under the Civil Service Reform Act, what do you see as the relationship between headquarters and the centers in the negotiation process.

DR. BEGGS: That's a big question.

I'll try to duck that.

AUDIENCE: (Laughter.)

DR. BEGGS: Well, let me try it this way. Without any question, a constrained budget situation, if it
impacts the research work that you are doing, has a negative effect on recruiting young fresh outs into the agency or anywhere else.

If you don't have interesting work for them to do, they will go else where. They will search for the interesting activity.

I don't believe that has as yet happened at NASA. We still have an enormous number of very interesting and active programs, which I think are very attractive to the high calibre youngsters that are coming out of universities these days and out of the graduate schools.

And I think we'll get our share. At least the statistics

seem to show that.

This is a subject of great interest to me. And one of the first things I looked into was the question of how well we were doing in recruiting fresh outs into the agency.

That has two important effects. One is it indicates that we are doing good work, which the young people feel is important. And that's an important perception for the agency. It's important that we have that, otherwise I think we can start to question whether we are doing good work.

The second part of it is that we need that infusion of young people into our organization each year,
because if we don't get it year by year, over a period
of time you create gaps in your professional ranks, which
can be very adverse to the generation of ideas and programs in the future.

So I was very interested in looking at that.

And I was encouraged by the fact that we seem to still be attracting good people, and they seem to be folks who are motivated, if you will, to do this kind of work.

So I'm not overy concerned yet, but I'm getting concerned. And I think that in our field the pay cap which has been on is going to cause an increasing amount of compression in the salaried ranks. And that's bad.

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And the various and sundry reforms in the system have not been carried out quite in the way that they reforms were meant to be carried out. And that is not a healthy situation.

And I'm going to be working that problem to see whether I can help.

Unfortunately, I see very little relief -- I must be candid about this -- very little relief on the pay cap this year or next, because the Congress is simply not going to lift the cap on their own salaries.

And without that happening we're not going to get any relief in the civil service ranks.

But I'm going to be working as best I can.

And, as a matter of fact, I've had some conversations on the Hill with some of the folks in those committees discussing this problem with them. They are concerned, I might add. They don't know quite how to come to grips with it, because they are under a very strong pressure from the public not to increase their own salaries.

And as I say, absent that, we won't get any relief for the civil service ranks.

But there probably are some things that could be done, if they would liberalize a few of the regulations and rules that govern the civil service. And I'm going to try and give them as many suggestions for that as I

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can within therather rigid constraints that are on the Office of Personnel Management.

Yes.

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Did I duck that satisfactorally?

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VOICE: How do you see our growth over the next 20 years in aeronautical research with respect to European and Japanese efforts, say in cryogenic technology or computational aerodynamics?

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DR. BEGGS: Well, they're coming fast, as you Last year Airbus Industries sold more commercial know. transports than any other company in the world safe Boeing.

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In other words, they outsold both of the others in this country. And the Europeans, as we all know, are investing heavily in research, in aeronautical research. They're putting money into simulators, tunnels, and they have proven that they will subsidize to a heavy degree getting into a market. In short, they'll buy a position in the market. And they are with the Airbus buying a

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20 position in the market.

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accounts, and a number of different countries. It's buried in a number of national budgets.

It's hard to tell how much they are subsidizing

But it is clear that they are subsidizing that

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the Airbus, because it's scattered through a number of

aircraft very heavily. And so they're buying a big, big piece of the market. And that's of great concern.

And now we see the Japanese with that big computational NAS facility starting and that's of concern as well.

And we've got to match that, or we've got to do more than match it. We've got to do what we've always done, and that's beat them.

We've always been able to outdistance the competition in these areas, once we screw up our courage to the sticking point and get going. It always takes us a little while. As a matter of fact, we always start late on these things.

And I think that's true of the NAS. We're going to start late, because the Japanese are already going.

But I don't think that is as of much concern as the point that we do it right. And that's one of the things that's high on my agenda. We're going to do that. And we're going to do it right. We're going to plan it properly. And then we'll fund it properly. And get the money to put it in place.

We have not been investing as much money in our facilities as, probably, we should have over the past 10 years. That's clear.

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In particular, we really haven't put enough money into the business of maintaining and upgrading our existing facilities, as we probably should have. We've been deferring maintenance and that's showing up in increasing down time in some places. And that's something we have to work on as well.

And we haven't been putting as many new ones, getting as many new facilities, research facilities, now, as we probably should have been doing. And that's high on my agenda.

But I'm not terribly worried that we're not first. Because, as I say, if you look back on history we are never first in any of these things. We always wait until someone else gets going on it and then we come charging up and have, in the past, always done the job a little better.

I think that's important that we do continue to do the job better.

But it is of concern. And I think this is one of the arguments that I'm using on my colleagues in Washington that our foreign competitors are moving out. They are moving out fast. And they have proven that they are willing to spend money even in a very constrained budget in their case. The Europeans, now, are pleading poverty in almost every other field, but they are not pleading

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poverty in this one. They're spending. And they're determined to get a piece of the market which we have long dominated. And it's going to come as an awful shock to us, if we don't do the necessary investment, don't make the necessary investment, and end up one of these days finding that we have lost our market.

We're going to argue that very hard. And I think we will win that argument.

Over here.

VOICE: Do you see any change in the balance between the developmental work versus fundamental research that occurs in the NASA centers in the coming future?

DR. BEGGS: Well, that's a hard question to answer, because I think change is a part of that.

We have had, you know, ups and downs in the mix of project work and research work over the years.

This center has, for example, in the past been involved in some very major programs, like Viking; and has over the years changed its mix of activity.

And I think that's a healthy thing. I think you do need a certain number -- a certain amount of program work. That tends to focus -- help focus research.

And it tends to, I think, give our people a chance to exercise their talents in a way of applying what they have done, which is a professionally stretching, mind

20 stretching activity. And important. And so, as I said earlier, I think it's important that we do the applications type things, and the space programs, and the various\_projects that give us an opportunity to go out and try out our ideas in the real world, and find out whether we're on the right track, and to use that experience to focus on the next step. And so I see a similar kind of mix going on in the future, with the activity coming and going as each project reaches its maturity and then goes down. I will continue to be an advocate for those projects, because I think they are important. And I think they have an important place. The likelihood is that for the next year or two, until we get the shuttle operational, that there

will be relatively few new ones. But I think we can look forward in the next three or four years to a lot of them.

> Back in the back. Yeah.

Do you foresee any realignment or crossing of the roles and missions of the various centers?

> AUDIENCE: (Laughter.)

DR. BEGGS: Yes and no.

AUDIENCE: (Laughter.)

DR. BEGGS: I think the balance that has been struck in NASA between the activities of the various

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centers has been generally a pretty good one. And it has stood the test of time.

There are, as I said just a few minutes ago, there have been cases where programs have been put into centers, like Langley, like Ames, and others, and I think that has had a healthy competitive effect on the agency. It's been healthy from the point of view of putting a center, which may have felt it had a lock on an area, under some competitive pressure and thereby stimulated their though processes and their willingness to go out and do some new things, and, perhaps, rethink their own roles.

And I think to that extent, probably, an exchange of some roles and missions is a beneficial thing.

And I think it's worth thinking about.

Quite frankly we haven't gotten to that point.

Neither Hans Mark nor myself have reached the point of thinking through all the implications of that.

We have been thinking of some organizational realignments. And we will be talking about those in the coming few weeks.

But I think the question raises -- which is really a suggestion -- raises the issue of what should be done in rethinking and relooking those things, so as to bring that competitive pressure and bring the mind

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stretching aspect of that back to a number of our centers.

Over here.

VOICE: I'm Olaf Storsely from the IPAD office.

There was recently a summer study completed on the -
done by OAST and OSTA, inter-center type of study, related
to the topic computer science key to the space program
renaissance. I wonder if you have been briefed on that
study and if you have some opinions on it?

DR. BEGGS: I have not looked at that study in detail. But it has been laid before me and I will be looking at it.

I do think that that is a very vital area for the agency. And I think it's one that we've got to keep constantly up on the step, because it's moving so fast, and there are so many new things that are becoming possible, both in the applications of computer science to aeronautics and space in the project sense and also what one can do with it in a computational way in doing new things and designing new tools for research, like the NAS facility that we talked about earlier.

And I think that, you know, this agency, in a sense, stimulated a lot of the cybernetic work that has gone on in the last 20 years. And I think that we have a role in stimulating that kind of research in the future.

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And I think we can continue to do that, because the kinds of things that we are doing, both project-wise and research-wise, are very, very important adjuncts to what the folks over in the cybernetic world are thinking about.

So I think -- I guess I would just make the overview on that. And I will be looking into several of these studies, including the one that was done on aeronautics, which is quite important, too, to see what directions we ought to move.

MODERATOR: Why don't we take just one more question, Jim, if --

DR. BEGGS: Okay.

Over here.

VOICE: Could you comment, sir, on the types of new starts that are under consideration in the agency now?

DR. BEGGS: Oh, golly.

There was a whole list of them. And I don't know that I can list them off. But they ranged from everything from the NAS, which was on the list, and is still on the list, as far as that goes, to the VOIR mission, which is an approved mission, but unfunded. It's high on the list.

The -- lots of new ideas in aeronautics that were

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everything from materials kind of research, looking at the application of composites to commercial transports, which has been active, but some new work in that area, to continuation of work in more efficient engine cycles, to the one that Hans and I are very interested in. And that's a space station. A permanent presence in space.

And both of us, as you undoubtedly know, stated at our confirmation hearings that we were going to work hard to get a start in that area over the next few years.

And there is some work on that that was on the list, but there is no -- in my remarks I said keep sending me good ideas. And I really mean that.

But let me assure you, we haven't any dearth of new ideas at the present time. There is a whole list as long as my arm. And they all won't fit into the budget obviously.

But I'm hopeful, again, that we can get some of them in the budget in the next couple of cycles. And I think we will.

MODERATOR: Jim, I want to express the appreciation of all of us. Thanks for coming.

DR. BEGGS: Thank you, very much.

AUDIENCE: (Applause.)

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